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## **GOVERNMENT - STATE**

HOUSE BILL 22-1242

BY REPRESENTATIVE(S) Kipp and Exum, Benavidez, Bernett, Bird, Boesenecker, Cutter, Daugherty, Duran, Esgar, Froelich, Herod, Hooton, Jodeh, Kennedy, Lindsay, Lontine, McCluskie, McCormick, McLachlan, Michaelson Jenet, Mullica, Ortiz, Sirota, Snyder, Sullivan, Titone, Valdez A.;

also SENATOR(S) Ginal and Hisey, Bridges, Buckner, Donovan, Hinrichsen, Jaquez Lewis, Lee, Liston, Moreno, Priola, Rodriguez, Winter, Woodward, Zenzinger, Fenberg.

## AN ACT

CONCERNING THE REGULATION OF STRUCTURES THAT ARE MANUFACTURED AT A LOCATION THAT IS NOT AT THE SITE WHERE THE STRUCTURE IS OCCUPIED, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Be it enacted by the General Assembly of the State of Colorado:

**SECTION 1.** In Colorado Revised Statutes, 24-32-3301, **amend** (1) introductory portion, (1)(b), (1)(c), (1)(d), (1)(e), (2)(b), (2)(c), (2)(d), and (3); and **add** (1)(f) and (2)(e) as follows:

- **24-32-3301. Legislative declaration.** (1) The general assembly hereby finds, determines, and declares that mobile homes, manufactured housing, and factory-built housing STRUCTURES are important and effective ways to meet Colorado's affordable housing needs. The general assembly further finds and declares that, because of the housing crisis in Colorado, there is a need to promote the affordability and accessibility of new manufactured HOMES and factory-built housing STRUCTURES. The general assembly encourages local governments to enact ordinances and rules that effectively treat factory-built housing STRUCTURES certified through the state program and manufactured housing certified through the federal program the same as site-built homes. The general assembly further finds, determines, and declares that:
- (b) The comprehensive regulation of the installation of MOBILE HOMES, manufactured homes, OR TINY HOMES to ensure safety, affordability, efficiency, and performance is a matter of statewide and local concern.

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

- (c) The protection of Colorado consumers who purchase manufactured homes OR TINY HOMES from fraud and other unfair business practices is a matter of statewide concern and consumers can best be protected by:
- (I) Requiring registration of persons engaged in the business of selling manufactured homes OR TINY HOMES;
- (II) Imposing escrow and bonding requirements upon persons engaged in the business of MANUFACTURING OR selling manufactured homes OR TINY HOMES; and
- (III) Requiring persons engaged in the business of selling manufactured homes OR TINY HOMES to include specified disclosures and provisions in any contract for the sale of a manufactured home OR TINY HOME.
- (d) The imposition of registration requirements upon the sellers of manufactured homes OR TINY HOMES by both the state and political subdivisions of the state would impose an undue burden upon the sellers of manufactured homes OR TINY HOMES and discourage the sale of manufactured homes OR TINY HOMES.
- (e) The registration, escrow and bonding, and contract requirements imposed on THE sellers of manufactured homes OR TINY HOMES by this part 33 are exclusive, and no A political subdivision of the state may SHALL NOT impose any additional registration, escrow and bonding, or contract requirements on the sellers.
- (f) The regulation of tiny homes is necessary to protect consumer safety and recognize tiny homes as an affordable housing alternative.
- (2) The general assembly further declares that in enacting this part 33, it is the intent of the general assembly that the division establish, through the board, rules as it deems necessary to ensure:
  - (b) Consumer safety in the purchase of manufactured homes OR TINY HOMES;
- (c) The registration of manufactured home installers and the creation of uniform standards for the installation of manufactured homes INSTALLATION on a statewide basis; and
- (d) The safety, affordability, and performance of hotels, motels, and multifamily structures in areas of the state where no construction standards for hotels, motels, and multifamily structures exist; AND
- (e) The safety of foundation systems for tiny homes, manufactured homes, and factory-built structures in areas of the state where no construction standards for tiny homes, manufactured homes, and factory-built structures exist.
- (3) The general assembly further declares that the factory-built structure programs AND TINY HOME PROGRAMS administered and rules adopted <del>pursuant to</del> UNDER this part 33 apply only to <del>work performed in</del> a factory or WORK PERFORMED OFF SITE OR WORK completed at <del>a</del> THE INSTALLATION site, <del>using components shipped with the factory-built structure</del> as reflected in the approved plans for the factory-built

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structure OR TINY HOME.

**SECTION 2.** In Colorado Revised Statutes, 24-32-3302, **amend** (3), (4), (6), (11), (16), (17), (20)(a), (20)(d), (26), (29), (30), (32.5), and (33); and **add** (24.5), (26.5), (34), and (35) as follows:

- **24-32-3302. Definitions.** As used in this part 33, unless the context otherwise requires:
- (3) "Certificate of installation" means a certificate issued by the division for an installation of a manufactured home that meets the requirements of COMPLIES WITH this part 33 AND RULES THAT THE BOARD ADOPTS UNDER THIS PART 33.
- (4) "Certified installer" means an installer of manufactured homes who OR TINY HOMES THAT:
  - (a) Is registered with the division; and who
- (b) Has installed at least five manufactured homes OR TINY HOMES in compliance with the manufacturer's instructions or standards created by the division pursuant to this part 33; and
  - (c) Has been approved by the division for certified status.
- (6) "Defect" means any deviation in the performance, construction, components, or material of a manufactured home, TINY HOME, OR FACTORY-BUILT STRUCTURE that renders the MANUFACTURED home, TINY HOME, OR FACTORY-BUILT STRUCTURE or any part thereof OF THE MANUFACTURED HOME, TINY HOME, OR FACTORY-BUILT STRUCTURE not fit for the ordinary use for which it was intended.
  - (11) "Factory-built structure" means:
  - (a) A factory-built nonresidential and STRUCTURE;
  - (b) A factory-built residential buildings. STRUCTURE; AND
  - (c) A FACTORY-BUILT TINY HOME.
- (16) (a) "Installation" means the placement of a manufactured home OR TINY HOME on a permanent or temporary foundation system.
- (b) "Installation" includes without limitation supporting, blocking, leveling, securing, or anchoring the home and connecting multiple or expandable sections of the home.
  - (17) "Installer" means any person who performs the installation of:
- (a) A manufactured home, which includes multifamily structures, for those with THE knowledge, experience, and skills to do so; OR
  - (b) A TINY HOME.

- (20) "Manufactured home" means any preconstructed building unit or combination of preconstructed building units or closed panel systems that:
- (a) Include INCLUDES electrical, mechanical, or plumbing services that are fabricated, formed, or assembled at a location other than the site of the completed home;
  - (d) Does not have motor power Is not self-propelled; and
- (24.5) "Mobile home park" has the meaning set forth in section 38-12-201.5 (6).
  - (26) "Owner" means the owner of a manufactured home OR TINY HOME.
- (26.5) "Permanent foundation" means a structure that is designed or intended to:
  - (a) SUPPORT A BUILDING FROM UNDERNEATH;
  - (b) KEEP A BUILDING FIRMLY AFFIXED TO THE GROUND;
  - (c) Prevent the building from moving; and
  - (d) Not be removed from the ground or building.
- (29) "Purchaser" means the first A person purchasing a manufactured home OR TINY HOME IF EITHER IS PURCHASED in good faith for purposes other than resale.
- (30) "Quality assurance representative" means any state, firm, corporation, or other entity that proposes to conduct production reviews, evaluate a manufacturer's quality control procedures, and perform design evaluations. for factory-built structures.
- (32.5) "Seller" means any person engaged in the business of selling manufactured homes to be installed in Colorado or tiny homes to be occupied or installed in Colorado.
- (33) "Site" means the entire tract, subdivision, or parcel of land on which manufactured homes OR TINY HOMES are installed.
- (34) "Temporary foundation" means a structure that is designed or intended to:
  - (a) SUPPORT A BUILDING FROM UNDERNEATH;
  - (b) KEEP A BUILDING FIRMLY AFFIXED TO THE GROUND;
  - (c) Prevent the building from moving; and
  - (d) BE REMOVABLE FROM THE GROUND OR BUILDING.

- (35) (a) "TINY HOME" MEANS A STRUCTURE THAT:
- (I) IS PERMANENTLY CONSTRUCTED ON A VEHICLE CHASSIS;
- (II) IS DESIGNED FOR LONG-TERM RESIDENCY;
- (III) INCLUDES ELECTRICAL, MECHANICAL, OR PLUMBING SERVICES THAT ARE FABRICATED, FORMED, OR ASSEMBLED AT A LOCATION OTHER THAN THE SITE OF THE COMPLETED HOME;
  - (IV) IS NOT SELF-PROPELLED; AND
  - (V) HAS A SQUARE FOOTAGE OF NOT MORE THAN FOUR HUNDRED SQUARE FEET.
  - (b) "TINY HOME" DOES NOT INCLUDE:
  - (I) A MANUFACTURED HOME;
  - (II) A RECREATIONAL PARK TRAILER AS DEFINED IN SECTION 24-32-902 (8);
  - (III) A RECREATIONAL VEHICLE AS DEFINED IN SECTION 24-32-902 (9);
  - (IV) A SEMITRAILER AS DEFINED IN SECTION 42-1-102 (89); OR
  - (V) AN INTERMODAL SHIPPING CONTAINER.
- **SECTION 3.** In Colorado Revised Statutes, 24-32-3303, **amend** (1)(e), (1)(f), and (1)(g); and **add** (1)(h) as follows:
- **24-32-3303. Division of housing powers and duties rules.** (1) The division has the following powers and duties pursuant to this part 33:
- (e) To enforce requirements concerning the installation of manufactured homes INSTALLATIONS, including the registration and certification status of installers;
- (f) To enforce requirements concerning the sale of TINY HOMES AND OF manufactured homes, including the registration status of sellers; and
- (g) To enforce requirements concerning the safety of hotels, motels, and multi-family structures in areas of the state where no construction standards for hotels, motels, and multi-family structures exist; AND
- (h) TO ENFORCE REQUIREMENTS CONCERNING THE SAFETY OF FOUNDATION SYSTEMS FOR MANUFACTURED HOMES, TINY HOMES, AND FACTORY-BUILT STRUCTURES IN AREAS OF THE STATE WHERE NO CONSTRUCTION STANDARDS FOR MANUFACTURED HOMES, TINY HOMES, AND FACTORY-BUILT STRUCTURES EXIST.
- **SECTION 4.** In Colorado Revised Statutes, 24-32-3304, **amend** (1)(d); and **add** (1)(f) and (1)(g) as follows:
  - 24-32-3304. State housing board powers and duties rules. (1) The board

has the following powers and duties pursuant to this part 33:

- (d) To promulgate rules establishing standards for the installation and setup of manufactured housing units; and
- (f) To promulgate rules establishing standards for tiny homes that cover the manufacture of, assembly of, and installation of tiny homes; and
- (g) To promulgate uniform foundation construction standards for manufactured homes, factory-built structures, or tiny homes in those areas of the state where no standards exist.
- **SECTION 5.** In Colorado Revised Statutes, 24-32-3305, **amend** (1) introductory portion, (1)(b), (1)(c), (2), and (3); and **add** (1)(e) and (1)(f) as follows:
- **24-32-3305.** Rules advisory committee enforcement. (1) The board must SHALL promulgate rules as it deems necessary to ensure:
  - (b) The safety of consumers purchasing manufactured homes OR TINY HOMES;
  - (c) The safety of manufactured home installations; and
  - (e) The implementation of sections 24-32-3328 and 24-32-3329; and
- (f) The safety of foundation systems for manufactured homes, tiny homes, and factory-built structures in areas of the state where no construction standards for manufactured homes, tiny homes, and factory-built structures exist.
- (2) Rules promulgated by the board must include provisions imposing requirements reasonably consistent with recognized and accepted standards adopted by THE ASTM INTERNATIONAL, the International Code Council, the National Fire Protection Association, and the Colorado state plumbing and electrical codes, or a combination thereof OF THESE STANDARDS AND CODES, except to the extent that the board finds that the standards and codes are inconsistent with this part 33. All rules promulgated by The board must be adopted SHALL ADOPT RULES pursuant to article 4 of this title 24.
- (3) (a) The board must consult with and obtain the advice of an advisory committee on residential and nonresidential FACTORY-BUILT structures AND TINY HOMES in the drafting and promulgation of rules. The committee consists of twelve FIFTEEN members appointed by the division from the following professional and technical disciplines:
  - (I) One from architecture;
  - (II) One from structural engineering;
  - (III) Three from building code enforcement;

- (IV) One from mechanical engineering or contracting;
- (V) One from electrical engineering or contracting;
- (VI) One from the plumbing industry;
- (VII) One from the construction design or producer industry;
- (VIII) Two from manufactured housing;
- (IX) Two from the tiny home industry;
- (X) ONE FROM ENERGY CONSERVATION; and
- (XI) One from organized labor.
- (b) Committee members shall be ARE reimbursed for actual and necessary expenses incurred while engaged in official duties.

**SECTION 6.** In Colorado Revised Statutes, 24-32-3306, **amend** (1) as follows:

**24-32-3306.** Recognition of similar standards - compliance with standards. (1) If the division determines that standards for factory-built STRUCTURES, TINY HOMES, or manufactured housing HOMES prescribed by statute or rule of another state or by the United States department of housing and urban development are reasonably consistent with, or equal to, standards required by this part 33, it may provide by rule that factory-built STRUCTURES, TINY HOMES, or manufactured housing HOMES approved by the other state or by the department meets MEET the standards required by this part 33.

**SECTION 7.** In Colorado Revised Statutes, 24-32-3307, amend (1) as follows:

- **24-32-3307. Noncompliance with standards.** (1) (a) The division may obtain injunctive relief from the appropriate A court OF COMPETENT JURISDICTION to enjoin the manufacture, sale, delivery, or installation of:
- (I) A factory-built housing STRUCTURE by filing an affidavit specifying the manner in which the housing FACTORY-BUILT STRUCTURE does not conform to the requirements of this part 33 or to rules promulgated pursuant to section 24-32-3305; OR
- (II) A tiny home by filing an affidavit specifying the manner in which the tiny home does not conform to this part 33 or to rules promulgated under section 24-32-3305 (1)(e) or 24-32-3328.
- (b) The division may suspend the issuance of insignias of approval while injunctive relief is being sought.

**SECTION 8.** In Colorado Revised Statutes, 24-32-3309, **amend** (1)(a) and (2) as follows:

- **24-32-3309.** Fees building regulation fund rules. (1) (a) (I) The board, by rule, must SHALL establish a schedule of fees designed to pay all direct and indirect costs incurred by the division in carrying out and enforcing the provisions of this part 33; except that the amount of the registration fee for installers of manufactured homes is LIMITED TO the amount specified in section 24-32-3315 (5) and the amount of the registration fee for sellers of manufactured homes is LIMITED TO the amount specified in section 24-32-3323 (3).
- (II) Before establishing THE BOARD ESTABLISHES the schedule of fees, the division, must for the BOARD'S CONSIDERATION, SHALL gather information regarding the fees charged by:
- (A) Colorado local governments for the inspection and certification of improvements to residential real property that are not manufactured homes OR TINY HOMES; and
- (B) the fees charged by Governmental entities outside of Colorado for the inspection and certification of manufactured homes for the board's consideration OR TINY HOMES.
- (III) The fees must be paid to the division and transmitted to the state treasurer, who must shall credit the fees to the building regulation fund, which fund is hereby created in the state treasury and referred to in this section as the "fund". The state treasures shall credit all interest derived from the deposit and investment of money in the fund must be credited to the fund. Except as otherwise provided in subsection (2) of this section, at the end of any fiscal year, all unexpended and unencumbered money in the fund must remain REMAINS in the fund and must not be credited or transferred to the general fund or any other fund or used for any other purpose other than to offset the costs of implementing, and administering, and enforcing the provisions of this part 33.
- (2) In addition to being used to offset the costs of implementing and administering this part 33 as specified in subsection (1) of this section, money in the fund may be expended:
- (a) To provide education and training to manufacturers, sellers, installers, building department employees, elected officials, and, as appropriate, other persons affected by the mobile HOME, manufactured HOME, TINY HOME, and factory-built structures STRUCTURE industry regarding the building codes and state program requirements applicable to mobile HOMES, manufactured HOMES, TINY HOMES, and factory-built structures within the state;
- (b) To provide consumer training throughout the state that will help a consumer make informed decisions when purchasing or considering the purchase of a mobile home, manufactured home, TINY HOME, or factory-built structure; and
- (c) To provide education and grants that will help manufacturers, sellers, installers, owners, and, as appropriate, other parties affected by the mobile HOME, manufactured HOME, TINY HOME, and factory-built structures STRUCTURE industry address safety issues that affect mobile HOMES, manufactured HOMES, TINY HOMES, and factory-built structures.

**SECTION 9.** In Colorado Revised Statutes, 24-32-3311, **amend** (1)(a.3), (1)(a.7), (4), and (6) as follows:

- **24-32-3311.** Certification of factory-built structures rules. (1) (a.3) Manufacturers of factory-built structures to be installed in the state must SHALL register with the division as provided in board rules and are subject to enforcement action, including suspension or revocation of their registration for failing to comply with requirements contained in this part 33 and board rules. A MANUFACTURER SHALL:
- (I) COMPLY WITH ESCROW REQUIREMENTS OF DOWN PAYMENTS AS ESTABLISHED BY THE BOARD BY RULE; AND
- (II) Provide a letter of credit, certificate of deposit issued by a licensed financial institution, or surety bond issued by an authorized insurer in an amount and process established by the board by rule. A financial institution or authorized insurer shall pay the division the letter of credit, certificate of deposit, or surety bond if a court of competent jurisdiction has rendered a final judgment in favor of the division based on a finding that:
  - (A) THE MANUFACTURER FAILED TO DELIVER THE FACTORY-BUILT STRUCTURE;
- (B) THE MANUFACTURER FAILED TO REFUND A DOWN PAYMENT MADE TOWARD THE PURCHASE OF THE FACTORY-BUILT STRUCTURE; OR
- (C) The manufacturer ceased doing business operations or filed for bankruptcy.
- (a.7) (I) The division must shall conduct a full design and plan review and inspection of the construction of factory-built structures to the extent the design and construction relates to work performed off site or work that is completed onsite using components shipped with the factory-built structure AT THE INSTALLATION SITE as reflected in the approved plans for the factory-built structure. A local government may SHALL not duplicate efforts to review or approve the construction of a factory-built structure that is under review or approved by the division nor may SHALL it charge building permit fees to cover the cost of plan reviews or inspections performed by the division. A local government's jurisdiction is limited to work done onsite AT THE INSTALLATION SITE in compliance with section 24-32-3311 (6) SUBSECTION (6) OF THIS SECTION and includes associated plan review, permits, inspections, and fees.
- (II) The division may authorize a local government to inspect and approve work that is completed onsite using components shipped with the factory-built structure AT THE INSTALLATION SITE as reflected in the approved plans for the factory-built structure. A local government may charge inspection fees if authorized to assist the division to inspect and approve work ON A FACTORY-BUILT STRUCTURE that is completed onsite using components shipped with the factory-built structure AT THE INSTALLATION SITE as reflected in the approved plans for the factory-built structure.
  - (4) A factory-built structure bearing an insignia of approval issued by the division

and affixed by the division or an authorized quality assurance representative pursuant to this part 33 is deemed to be designed and constructed in compliance with the requirements of all codes and standards enacted or adopted by the state and accounting for any local government installation requirements adopted in compliance with sections 24-32-3310 and 24-32-3318 that are applicable to the construction of factory-built structures, to the extent that the design and construction relates to work performed in a factory or work ON A FACTORY-BUILT STRUCTURE that is completed at a THE INSTALLATION site using components shipped with the factory-built structure as reflected in the approved plans for the factory-built structure. The determination by the division of the scope of such approval is final. An insignia of approval affixed to the factory-built structure does not expire unless the design and construction of the factory-built structure has been modified from approved plans.

(6) All work at a THE INSTALLATION site that is unrelated to the installation of a factory-built structure or components shipped with UNRELATED TO COMPLETING CONSTRUCTION OF A FACTORY-BUILT STRUCTURE AT THE INSTALLATION SITE AS REFLECTED IN THE APPROVED PLANS FOR the factory-built structure, including additions, modifications, and repairs to a factory-built structure, are is subject to applicable local government rules.

**SECTION 10.** In Colorado Revised Statutes, **repeal** 24-32-3313 as follows:

24-32-3313. Injunctive relief. The division may request the appropriate court to enjoin the sale or delivery of any factory-built structure upon an affidavit, specifying the manner in which the factory-built structure does not conform to the requirements of this part 33 or the rules promulgated pursuant to this part 33. The division may suspend the authority of a manufacturer to affix insignias while injunctive relief is being sought.

**SECTION 11.** In Colorado Revised Statutes, 24-32-3315, **amend** (1)(c), (3), and (4) introductory portion as follows:

- **24-32-3315.** Installers of manufactured homes and tiny homes registration fees educational requirements rules. (1) (c) (I) A homeowner who is not required to register as an installer with the division if the homeowner installs the owner's homeowner's own manufactured home that is a one- or two-family dwelling intended for the homeowner's own personal use, is not required to register as an installer with the division but the homeowner must comply with all provisions of this part 33 other than registration provisions. A homeowner is limited to the one installation of one manufactured home in any twelve-month period and a total of no more than five during their the homeowner's lifetime.
- (II) A homeowner installing their THE HOMEOWNER'S OWN MANUFACTURED HOME OR TINY home is required to SHALL do their own THE installation work. If the homeowner has another person perform installation work, on their manufactured home, that person is required to MUST be a registered or certified installer.
- (3) An application A PERSON APPLYING for registration or certification as a manufactured home AN installer, whether AN initial or renewal APPLICATION, must

- be submitted SUBMIT THE APPLICATION on a form provided by the division and verified by a declaration dated and signed BY THE APPLICANT under penalty of perjury. by the applicant. The application must contain, in addition to any other information the division may reasonably require, the name, address, E-MAIL ADDRESS, and telephone number of the applicant. The division shall make the application and declaration available for public inspection.
- (4) On and after July 1, 2008, In order to be registered initially as a manufactured home AN installer, an applicant must:
- **SECTION 12.** In Colorado Revised Statutes, 24-32-3315.5, **amend** (1) introductory portion, (1)(a), and (1)(b) as follows:
- **24-32-3315.5.** Contract for the installation of manufactured homes and tiny homes requirements. (1) A registered or certified installer must provide a contract for the installation of each manufactured home OR TINY HOME and make the following disclosures in any contract for the installation of a manufactured home OR TINY HOME:
- (a) That the installer has a letter of credit, certificate of deposit, or surety bond filed with the division for the performance of the installation; of the manufactured home;
- (b) That an aggrieved person may file a complaint with the division concerning the performance of the installation, of the manufactured home, including making a claim against the letter of credit, certificate of deposit, or surety bond filed with the division; and
  - **SECTION 13.** In Colorado Revised Statutes, 24-32-3316, amend (1) as follows:
- **24-32-3316.** Compliance with manufacturer's installation instructions. (1) Except as provided by subsection (2) or (3) of this section, any installation of a manufactured home in this state shall MUST be performed in strict accordance with the applicable manufacturer's installation instructions. A copy of the manufacturer's instructions or the standards promulgated by the division must be available at the time of installation and inspection.
- **SECTION 14.** In Colorado Revised Statutes, 24-32-3317, **amend** (1), (2), (2.3), (2.9), (3)(a) introductory portion, (3)(a)(II) introductory portion, (3)(a)(II)(C), (3)(b), (4), (5)(a) introductory portion, (5)(b), (6), (7), (8), (9), (10) introductory portion, and (10)(e) as follows:
- **24-32-3317. Installation of manufactured homes and tiny homes authorization certificates inspections inspector qualification and education requirements rules.** (1) Before beginning the AN installation, of a manufactured home, the owner or registered installer of a manufactured home OR TINY HOME must submit a request to the division and receive an installation authorization from the division on a division-approved form, unless the installation is occurring in a jurisdiction where a local government is participating as an independent contractor, in which case the owner or registered installer is to follow the local government's process for receiving authorization to install a manufactured home OR TINY HOME.

- (2) The division may certify any installer who provides evidence of five or more installations of manufactured homes OR TINY HOMES performed by the installer for which installation authorizations have previously been issued pursuant to IN ACCORDANCE WITH this section when, in the judgment of the division, the installer has demonstrated the ability to successfully complete installations of manufactured homes in accordance with the requirements of this part 33.
- (2.3) An installer certified by the division is not required to obtain an installation authorization from the division, but a Certified Installer is required to obtain authorization to install a manufactured home or tiny home from any local government participating as an independent contractor. For any installation occurring within the jurisdiction of a local government not participating as an independent contractor. For any installation of the installation in Accordance with this part 33 and board rules, shall affix on the manufactured home or tiny home an installation insignia issued by the division. is to be affixed on the manufactured home by the certified installer upon completion of the installation of the manufactured home in accordance with the requirements of this part 33 and board rules in any jurisdiction not participating as an independent contractor.
- (2.9) The division or AN independent contractor at the request of the division may, at the division's sole discretion, inspect the AN installation of any manufactured home performed by a certified installer pursuant to this subsection (2.9) and may require the certified installer to correct, within a period established by rule promulgated by the board, any defects or deficiencies in the installation. The division may revoke the certification of any installer certified pursuant to this subsection (2.9) when, in the judgment of the division, the installer has performed installations of a manufactured home AN INSTALLATION in violation of the requirements of this part 33 OR BOARD RULES ADOPTED UNDER THIS PART 33. Any installer whose certification has been so revoked may apply for recertification in accordance with rules promulgated by the division.
- (3) (a) The division may fine A REGISTERED INSTALLER OR suspend or revoke the registration of a registered installer if the installer fails to:
- (II) Otherwise pay to the owner or occupant of a manufactured home OR TINY HOME:
- (C) A refund of any money paid up front that did not result in a complete installation of the manufactured home BY THE INSTALLER OF the cost of completing THAT WAS USED TO PAY A DIFFERENT REGISTERED INSTALLER TO COMPLETE the installation. by a different registered installer.
- (b) (I) A financial institution or authorized insurer is required to make payment to the division making WHEN THE DIVISION MAKES a claim against the letter of credit, certificate of deposit, or surety bond:
- (A) If a court of competent jurisdiction has rendered a final judgment in favor of the division based on a finding that the registered installer failed to perform on the installation of the manufactured home as required by this part 33 or board rules; or

- (B) upon a ceasing of business operations or a bankruptcy filing by the registered installer If the registered installer ceases business operations or files for bankruptcy.
- (II) The division MAY SUSPEND OR REVOKE THE REGISTRATION OF any installer who fails to provide a letter of credit, certificate of deposit, or surety bond as required by section 24-32-3315 (2) and (6) or who otherwise fails to pay any judgment by a court of competent jurisdiction in favor of the division. is subject to the suspension or revocation of the registration by the division.
- (4) An owner or a registered installer must display an installation authorization at the site of AT WHICH a manufactured home OR TINY HOME IS to be installed until an installation insignia is issued by the division or independent contractor, unless the installation is occurring in a jurisdiction where a local government is participating as an independent contractor. in which case IF THE LOCAL GOVERNMENT IS AN INDEPENDENT CONTRACTOR, the owner or registered installer is to SHALL follow the local government's process for identifying a manufactured home OR TINY HOME to be installed until the division's installation insignia is issued by the local government.
- (5) (a) The division shall adopt rules that specify a standard form to be used statewide by the division or an independent contractor as a certificate of installation certifying that a manufactured home OR TINY HOME was installed in compliance with the provisions of this part 33. However, the certificate of installation applies only to AN installation of a manufactured home built in a factory and components shipped with the manufactured home as reflected in the approved plans for the manufactured home OR OF A TINY HOME. The certificate of installation must include but not be limited to the following:
- (b) If a vacant manufactured home OR TINY HOME fails an installation inspection because of conditions that endanger the health or safety of the occupant, the manufactured home OR TINY HOME cannot be occupied UNTIL THE DEFECTS OR DEFICIENCIES THAT FORM THE BASIS OF THE FAILED INSPECTION ARE CORRECTED. If a manufactured home OR TINY HOME fails an installation inspection because of conditions that do not endanger the health or safety of the occupant, the manufactured home OR TINY HOME may be occupied pending the correction of those defects or deficiencies that served as the basis of the failed inspection.
- (6) In addition to inspections performed pursuant to subsection (2.9) of this section, the division or the independent contractor that performs inspections and enforcement of proper installation of manufactured homes INSTALLATIONS may inspect the AN installation of a manufactured home upon request filed by the owner, installer, manufacturer, or seller. of the manufactured home. The PARTY REQUESTING THE inspection must be paid for by the party that requested PAY FOR the inspection.
- (7) If the AN installation of a manufactured home by an installer has failed FAILS the inspection conducted by the division or the independent contractor and it is determined by the division or the independent contractor DETERMINES that the installer has FAILED TO COMPLY WITH THE MANUFACTURER'S INSTRUCTIONS OR violated any of the installation standards promulgated by the division, the installer

must SHALL reimburse the party requesting the inspection for the cost of the failed inspection and must pay for any subsequent repairs necessary to bring the installation into compliance with the manufacturer's instructions or standards promulgated by the division. The installer must SHALL also pay for any subsequent inspections required by the division or the independent contractor. Failure of the installer to pay for any inspections or subsequent repairs deemed necessary by the division or the independent contractor shall result RESULTS in the forfeiture of the installer's performance bond on behalf of the owner. of the manufactured home.

- (8) (a) The division may authorize an independent contractor to perform inspections and enforcement of proper installation of manufactured homes INSTALLATIONS.
- (b) (I) The division may shall provide training for independent contractors to Perform installation inspections. The training must enable independent Contractors who successfully complete the training to be certified by the division to perform installation inspections.
- (II) The division may accept gifts, grants, or donations for the training of independent contractors. The division shall transmit any gifts, grants, or donations it receives to the state treasurer for deposit in the building regulation fund created in section 24-32-3309.
- (c) The division must shall establish by rule the qualifications of an inspector and the areas of expertise necessary for inspecting manufactured homes On and after July 1, 2008, OR TINY HOMES. A new inspector must pass a division-approved installation test. The qualifications for an inspector include but are not limited to those of a professional civil engineer, or local housing inspector, or independent contractor. Commencing in 2009, Inspectors must shall also complete and maintain records of the completion of division-approved education as established by the board through rulemaking BY RULE.
- (9) If an installation or subsequent repair of an installation by an installer fails to COMPLY WITH THE MANUFACTURER'S INSTRUCTIONS OR meet the standards promulgated by the division within a period determined by the division, the division must SHALL investigate the actions of the installer. The division may revoke, suspend, or refuse to renew the registration or certification of the installer for failing to comply with the MANUFACTURER'S INSTRUCTIONS OR THE division's standards regarding AN installation. of a manufactured home. Any independent contractor that knows of an installer whose installations fail HAVE FAILED inspection and have not been cured by subsequent repair must SHALL request that the division investigate the installer.
  - (10) The board must SHALL adopt rules concerning:
- (e) Any other rule MATTER necessary for the implementation of manufactured home THE installation requirements in this part 33.

**SECTION 15.** In Colorado Revised Statutes, **amend** 24-32-3318 as follows:

- **24-32-3318.** Local installation standards preempted. (1) EXCEPT AS AUTHORIZED IN SECTION 24-32-3329, a local government may SHALL not adopt less stringent standards for the AN installation of a manufactured home than those promulgated by the division. A local government may SHALL not, without express consent by the division, adopt different standards than the standards for the AN installation of a manufactured home promulgated by the division.
- (2) (a) Nothing in this section may preclude PROHIBITS a local government from enacting standards for TINY HOMES, mobile HOMES, or modular homes concerning unique public safety requirements related to geographic or climatic conditions, such as weight restrictions for roof snow loads, or wind shear factors, OR WILDFIRE RISK, as otherwise permitted by law.
- (b) Unless the United States department of housing and urban development has granted an exemption to a local government, a local government may shall not impose:
- (I) Weight restrictions for roof snow loads or wind shear factors on a manufactured home built to the federal manufactured home construction and safety standards that are different from what has been zoned for the state of Colorado by the United States department of housing and urban development pursuant to the federal act; or impose
- (II) Any other requirements that would impact the design and construction of the MANUFACTURED home. unless an exemption has been granted for that jurisdiction by the United States department of housing and urban development.
- (3) Nothing in this section prohibits a local government from requiring on-site mitigation to address unique public safety requirements related to geographic and climatic conditions, such as weight restrictions for roof snow loads, and wind shear factors, OR WILDFIRERISK on a manufactured home built to the federal manufactured home construction and safety standards, so long as there is no interference with the federal standards for the design and construction of the manufactured home.
  - **SECTION 16.** In Colorado Revised Statutes, **amend** 24-32-3321 as follows:
- **24-32-3321. Investigations of consumer complaints.** The division may investigate complaints filed by owners, occupants, or other consumers relating to the construction of factory-built structures and manufactured homes, and the sale or installation OR SALE of manufactured homes AND TINY HOMES as necessary to enforce and administer this part 33.
  - **SECTION 17.** In Colorado Revised Statutes, **repeal** 24-32-3322 as follows:
- 24-32-3322. Training of inspectors acceptance of gifts, grants, and donations. (1) On and after July 1, 2000, the division must train independent contractors to perform installation inspections for manufactured homes. The training must enable independent contractors who successfully complete the training to become certified by the division.
  - (2) On and after July 1, 2000, the division may accept gifts, grants, or donations

in Colorado.

for the training of independent contractors. The gifts, grants, or donations received must be transmitted to the state treasurer who must credit the money to the building regulation fund created in section 24-32-3309.

**SECTION 18.** In Colorado Revised Statutes, **amend** 24-32-3323 as follows:

## **24-32-3323. Sellers of manufactured homes and tiny homes - registration.** (1) Any seller is required to register with the division before engaging in the business of selling manufactured homes to be OR TINY HOMES IF EITHER IS installed

- (2) An application A PERSON APPLYING for a registration or renewal required by this section must be submitted SUBMIT THE APPLICATION on a form provided by the division and must be verified VERIFY THE APPLICATION by a declaration signed and dated, under penalty of perjury, by a principal of the manufactured home seller. The application must contain, in addition to such ANY other information regarding the conduct of the manufactured home seller's business as THAT the division may reasonably require, the name, address, E-MAIL ADDRESS, and position of each principal of the manufactured home seller and each person who exercises management responsibilities as part of the manufactured home seller's business activities. The application must also contain the address, E-MAIL ADDRESS, and telephone number of each retail location operated by the applicant, as well as the location and account number of the separate fiduciary account required by section 24-32-3324 (1) and any board rules. The division must preserve the application and declaration and make them available for public inspection.
- (3) (a) The division shall register an applicant that complies with subsection (2) of this section and that is qualified in accordance with this section and the rules promulgated under this section.
- (b) A registration issued <del>pursuant to subsection (2)</del> UNDER SUBSECTION (3)(a) of this section is valid for <del>one year</del> TWELVE MONTHS after the date of issuance. The <del>amount of the</del> DIVISION SHALL NOT SET THE registration fee <del>cannot be</del> AT AN AMOUNT OF more than two hundred dollars.
- (c) If, after issuance of a registration REGISTERING A SELLER, any of the required information submitted with the application for the registration pursuant to subsection (2) of this section becomes inaccurate, a principal of the manufactured home seller must SHALL notify the division in writing of the inaccuracy within thirty days and provide the division with accurate updated information.
  - (4) For purposes of this section, a person is not a seller if the person:
- (a) Is a natural person acting personally in selling a manufactured home owned or leased by the person OR A TINY HOME OWNED OR LEASED BY THE PERSON;
- (b) Sells a manufactured home or a tiny home in the course of engaging in activities that are subject to the provisions of article 10 of title 12 or activities that would be subject to the provisions but for a specific exemption set forth in article 10 of title 12 or an exemption set forth in article 10 of title 12;

- (c) Sells a manufactured home OR A TINY HOME for salvage or nonresidential use;
- (d) Directly or indirectly sells, in any calendar year, three or fewer previously occupied manufactured homes that OR TINY HOMES THAT are owned by a manufactured MOBILE home park owner and are located within one or more manufactured MOBILE home parks in Colorado; or
- (e) For a salary, commission, or compensation of any kind, is employed directly or indirectly by any registered manufactured home seller to sell or negotiate for the sale of manufactured homes OR TINY HOMES.

**SECTION 19.** In Colorado Revised Statutes, 24-32-3324, **amend** (2) as follows:

- **24-32-3324.** Escrow and bonding requirements rules. (2) (a) A seller must provide a letter of credit or certificate of deposit issued by a licensed financial institution or surety bond issued by an authorized insurer in an amount and IN ACCORDANCE WITH THE process established by the board through rulemaking BY RULE.
- (b) A financial institution or authorized insurer is required to make payment to the division making WHEN THE DIVISION MAKES a claim against the letter of credit, certificate of deposit, or surety bond:
- (I) If a court of competent jurisdiction has rendered a final judgment in favor of the division based on a finding that the registered seller failed to:
- (A) Deliver the manufactured home or tiny home or refund payments made toward the purchase of the manufactured home pursuant to or of the tiny home as required by this part 33 or board rules; or
- (B) Provide a reasonable per diem living expense in violation of the contractual provisions required by section 24-32-3325; or
- (II) Upon a ceasing of business operations or a bankruptcy filing by the registered seller. If the registered seller ceases business operations or files for bankruptcy.
- (c) The division May suspend or revoke the registration of any seller who that fails to provide a letter of credit, certificate of deposit, or surety bond as required by this subsection (2) or who that otherwise fails to pay any judgment by a court of competent jurisdiction in favor of the division. is subject to the suspension or revocation of the registration by the division.
- **SECTION 20.** In Colorado Revised Statutes, 24-32-3325, **amend** (1) introductory portion, (1)(a), (1)(c), (1)(d), and (2) as follows:
- **24-32-3325.** Contract for sale of manufactured home or tiny home requirements. (1) A seller must provide a contract with the sale of each manufactured home OR TINY HOME and make the following disclosures in any contract for the sale of a manufactured home OR TINY HOME:

- (a) That the purchaser may have no legal right to rescind the contract absent delinquent delivery of the manufactured home or the existence of a specific right of rescission set forth in the contract;
- (c) That an aggrieved person may file a complaint WITH THE DIVISION AGAINST THE SELLER for a refund of any payment held in escrow by a seller; of manufactured homes against the seller with the division; and
- (d) That an aggrieved person may bring a civil action pursuant to the provisions of the "Colorado Consumer Protection Act", section 6-1-709, to remedy violations of manufactured home seller requirements in this part 33. However, damages are limited in accordance with the provisions of section 6-1-113 (2.5).
- (2) A contract for the sale of a manufactured home OR TINY HOME by a seller must also contain the following provisions:
  - (a) EITHER:
  - (I) A date certain for the delivery of the manufactured home OR TINY HOME; or
- (II) A listing of specified delivery preconditions that must occur before a date certain for delivery can be determined;
- (b) A statement that if delivery of the manufactured home OR TINY HOME is delayed by more than sixty days after the delivery date specified in the contract of sale or by more than sixty days after the delivery preconditions set forth in the contract of sale have been met if no date certain for delivery has been set, the seller will either refund the manufactured home sale down payment or provide a reasonable per diem living expense to the buyer for the days between the delivery date specified in the contract or the sixty-first day after the delivery preconditions set forth in the contract have been met, whichever is applicable, and the actual date of delivery, unless the delay in delivery is unavoidable or caused by the buyer; and
- (c) An agreed upon location for delivery of the manufactured home OR TINY HOME to the purchaser.
- **SECTION 21.** In Colorado Revised Statutes, 24-32-3326, **amend** (1) introductory portion, (1)(b), (1)(c), and (2) as follows:
- **24-32-3326.** Unlawful sales practices manufactured homes and tiny homes fines. (1) A seller engages in an unlawful manufactured home sale OR TINY HOME SALES practice when the person:
- (b) Fails to comply with the escrow and bonding requirements of sections 24-32-3323 (2.5) and 24-32-3324, SECTION 24-32-3324 or board rules;
- (c) Fails to provide and include in any contract for the sale of a manufactured home or tiny home any of the disclosures or contract provisions required by section 24-32-3325; or
  - (2) Any A person found to be selling or have sold THAT SELLS a manufactured

home or tiny home in a manner contrary to the requirements of this part 33 or rules adopted under this part 33 is subject to revocation or suspension of a seller's registration, fines, or any other measures as prescribed by rule promulgated by rules that the division promulgates or by other applicable Colorado law. The division may issue a fine of up to ten thousand dollars for each violation. Multiple violations of this part 33 or rules adopted under this part 33 that are committed during a single sale constitute one violation. Each sale performed in violation of this part 33 or rules adopted under this part 33 constitutes a separate violation. Fines must be paid to the division and transmitted to the state treasurer, who must credit the fees fines to the building regulation fund created in section 24-32-3309.

**SECTION 22.** In Colorado Revised Statutes, 24-32-3327, **amend** (1) as follows:

- **24-32-3327. Inspections.** (1) For the purposes of enforcement of this part 33, persons duly designated by the division, upon presenting appropriate credentials to the owner, operator, or agent in charge, are authorized:
- (a) To enter at reasonable times and without advance notice any factory, warehouse, or establishment in which manufactured homes, TINY HOMES, or factory-built structures are manufactured, stored, or held for sale;
- (b) To inspect at reasonable times, within reasonable limits, and in a reasonable manner, any factory, warehouse, or establishment in which manufactured homes, TINY HOMES, or factory-built structures are manufactured, stored, or held for sale and to inspect any books, papers, records, and documents that relate to the safety of manufactured homes, TINY HOMES, or factory-built structures. Each inspection must be commenced and completed with reasonable promptness.
- (c) To enter and inspect, at reasonable times and without advance notice, any site on which A manufactured housing HOME OR A TINY HOME is BEING or has been installed or reinstalled at or near the time of installation or reinstallation; and
- (d) To inspect any books, papers, records, and documents that relate to the proper installation of A manufactured housing HOME OR A TINY HOME.
- **SECTION 23.** In Colorado Revised Statutes, **add** 24-32-3328 and 24-32-3329 as follows:
- **24-32-3328.** Tiny homes standards rules. (1) By July 1,2023, the board shall promulgate rules establishing standards for the manufacture of tiny homes. The board may use any national or international standard that is appropriate for all or a portion of a tiny home if the board finds that the standard provides for reasonable safety standards for tiny home occupants. The board may modify, by rule, any national or international standard adopted under this subsection (1) as necessary for use in Colorado.
- (2) The board shall establish standards for connecting a tiny home to utilities, including water, sewer, natural gas, and electricity.

- (3) IN PROMULGATING RULES UNDER THIS SECTION, THE BOARD SHALL CONSIDER:
- (a) THE IMPORTANCE OF KEEPING TINY HOMES AFFORDABLE;
- (b) THE UNIQUE CHARACTERISTICS OF TINY HOMES SUCH AS SIZE CONSTRAINTS AND CONSTRUCTION ON A CHASSIS SO THAT THEY CAN BE MOVED FROM SITE TO SITE;
- (c) That many tiny homes are built by shops producing fewer than twenty units per year;
- (d) That many tiny homes are custom-built rather than mass-produced models, and
- (e) That many tiny homes are built by their owners rather than by commercial shops.
- **24-32-3329.** Local governments inspections of tiny homes connection to utilities rules. (1) A STATE ELECTRICAL INSPECTOR OR A LOCAL GOVERNMENT MAY APPROVE THE CONNECTION OF A TINY HOME FOR ELECTRIC UTILITY SERVICE IF THE TINY HOME IS IN COMPLIANCE WITH APPLICABLE CODES AND STANDARDS FOR CONNECTION FOR ELECTRIC UTILITY SERVICE.
- (2) A STATE PLUMBING INSPECTOR OR A LOCAL GOVERNMENT MAY APPROVE THE CONNECTION OF A TINY HOME FOR WATER, GAS, OR SEWER UTILITY SERVICE IF THE TINY HOME IS IN COMPLIANCE WITH APPLICABLE CODES AND STANDARDS FOR CONNECTION FOR WATER, GAS, OR SEWER UTILITY SERVICE.
  - **SECTION 24.** In Colorado Revised Statutes, **amend** 24-32-904.5 as follows:
- **24-32-904.5.** Compliance with national standards recreational park trailers recreational vehicles. (1) No A person, partnership, firm, corporation, or any other entity may SHALL NOT manufacture, sell, or offer for sale within this state:
- (a) Any new recreational vehicle that is not manufactured in compliance with the American national standards institute's (ANSI's) standard A 119.2 NATIONAL FIRE PROTECTION ASSOCIATION'S STANDARD 1192 for recreational vehicles or any SUCCESSOR STANDARD OR amendment; thereto:
- (b) Any new recreational park trailer that is not manufactured in compliance with the American national standards institute's (ANSI's) standard A 119.5 for recreational park trailers, OR ANY SUCCESSOR STANDARD OR AMENDMENT.
  - **SECTION 25.** In Colorado Revised Statutes, 6-1-105, **amend** (1)(ss) as follows:
- **6-1-105. Unfair or deceptive trade practices.** (1) A person engages in a deceptive trade practice when, in the course of the person's business, vocation, or occupation, the person:
- (ss) Violates any provision of part 33 of article 32 of title 24 <del>C.R.S.,</del> that applies to the installation of manufactured homes OR TINY HOMES;

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**SECTION 26.** In Colorado Revised Statutes, **amend** 6-1-709 as follows:

- **6-1-709. Sales of manufactured and tiny homes deceptive trade practices.** A person engages in a deceptive trade practice when, in the course of such the person's business, vocation, or occupation, such the person engages in conduct that constitutes an unlawful manufactured home sale practice as SALES PRACTICE OR AN UNLAWFUL TINY HOME SALES PRACTICE, AS EITHER SALES PRACTICE IS described in section 24-32-3326. C.R.S.
  - **SECTION 27.** In Colorado Revised Statutes, 12-115-103, add (13) as follows:
- **12-115-103. Definitions.** As used in this article 115, unless the context otherwise requires:
  - (13) "TINY HOME" HAS THE MEANING SET FORTH IN SECTION 24-32-3302 (35).
- **SECTION 28.** In Colorado Revised Statutes, 12-115-120, **amend** (1)(c), (2)(a), (2)(c), and (10)(d) as follows:
- **12-115-120. Inspection application standard rules.** (1) (c) A utility shall not provide service to any person required to have electrical inspection under this article 115 without proof of final approval as provided in subsection (1)(b) of this section; except that THE UTILITY SHALL PROVIDE service:
- (I) shall be provided In those situations determined by the local electrical inspection authority, or by the board, whichever has jurisdiction, to be emergency situations for a maximum period of seven days or until the inspection has been made; OR
- (II) If the board or local electrical inspection authority has approved a tiny home connection for electric utility service in accordance with section 24-32-3329.
- (2) (a) The owner of an electrical installation in any new construction, other than manufactured units certified by the division of housing pursuant to section 24-32-3311 OR A TINY HOME MANUFACTURED TO THE STANDARDS OF SECTION 24-32-3328 (1), or remodeling or repair of an existing construction, except in any incorporated town or city, county, city and county, or qualified state institution of higher education having its own electrical code and inspection program equal to the minimum standards as are provided in this article 115, shall have the electrical portion of the installation, remodeling, or repair inspected by a state electrical inspector. A qualified state institution of higher education with a building department that meets or exceeds the minimum standards adopted by the board under this article 115 shall process applications for permits and inspections only from the institution and from contractors working for the benefit of the institution and shall conduct inspections only of work performed for the benefit of the institution.
- (c) A manufactured home, mobile home, TINY HOME, or movable structure owner shall have the electrical installation for the manufactured home, mobile home, TINY HOME, or movable structure inspected prior to obtaining electric service. An

INSPECTION OF A TINY HOME PERFORMED IN ACCORDANCE WITH SECTION 24-32-3329 COMPLIES WITH THIS SUBSECTION (2)(c).

- (10) (d) (I) The board shall ensure compliance with this section. If the board determines, as a result of a complaint, that an entity other than the state is conducting electrical inspections that do not comply with this section, the board may issue to that entity an order to show cause, in accordance with sections 12-20-405 and 12-115-122 (6), as to why the board should not issue a final order directing that entity to cease and desist conducting electrical inspections until that entity comes into compliance to the satisfaction of the board.
- (II) The board shall not issue a cease-and-desist order to an inspecting entity because the inspecting entity approved the occupancy of one or more tiny homes if the tiny homes have been approved in accordance with section 24-32-3329.
- (III) If the use of state electrical inspectors is required after the issuance of a final cease-and-desist order pursuant to this subsection (10)(d), that entity shall reimburse the board for any expenses incurred in performing that entity's inspections, in addition to transmitting the required permit fees.
  - **SECTION 29.** In Colorado Revised Statutes, 12-155-103, **add** (13.5) as follows:
- **12-155-103. Definitions.** As used in this article 155, unless the context otherwise requires:
  - (13.5) "TINY HOME" HAS THE MEANING SET FORTH IN SECTION 24-32-3302 (35).
- **SECTION 30.** In Colorado Revised Statutes, 12-155-105, **amend** (2) introductory portion as follows:
- **12-155-105. Powers of board fees rules.** (2) Notwithstanding any other provisions to the contrary, the board may, with regard to manufactured housing that is subject to part 7 of article 32 of title 24:
  - **SECTION 31.** In Colorado Revised Statutes, 12-155-118, amend (3) as follows:
- **12-155-118.** Exemptions. (3) Nothing in this article 155 shall be construed to apply to the manufacture of housing that is subject to the provisions of part 7 of article 32 of title 24 or the installation of individual residential or temporary construction units of manufactured housing water and sewer hookups inspected pursuant to section 12-155-105 SECTION 12-155-105 (2).
- **SECTION 32.** In Colorado Revised Statutes, 12-155-120, **amend** (1) and (10)(c) as follows:
- **12-155-120. Inspection application standards.** (1) (a) Any plumbing or gas piping installation in any new construction or remodeling or repair, other than manufactured units OR TINY HOMES inspected in accordance with the provisions of part 7 of article 32 of title 24, except for the new construction or remodeling or repair in any incorporated town or city, county, or city and county, or in a building

owned or leased or on land owned by a qualified state institution of higher education where the local entity or qualified state institution of higher education conducts inspections and issues permits, must be inspected by a state plumbing inspector.

- (b) A state plumbing inspector shall inspect any new construction, remodeling, or repair subject to the provisions of this subsection (1) within three working days after the receipt of the application for inspection.
- (c) Prior to the commencement of any plumbing or gas piping installation, the person making the installation shall apply for a permit and pay the required fee.
- (d) Every mobile home, TINY HOME, or movable structure owner shall have the plumbing and gas piping hookup for the mobile home, TINY HOME, or movable structure inspected prior to obtaining new or different plumbing or gas service. AN INSPECTION OF A TINY HOME PERFORMED IN ACCORDANCE WITH SECTION 24-32-3329 COMPLIES WITH THIS SUBSECTION (1)(d).
- (e) A qualified state institution of higher education with a building department that meets or exceeds the minimum standards adopted by the board under this article 155 shall process applications for permits and inspections only from the institution and from contractors working for the benefit of the institution, and shall conduct inspections only of work performed for the benefit of the institution. Each inspection must include a contemporaneous review to ensure that the requirements of section 12-155-108 have been met. A qualified state institution of higher education shall enforce standards that are at least as stringent as any minimum standards adopted by the board.
- (10) (c) (I) The board shall ensure compliance with this section. If the board determines, as a result of a formal complaint, that an inspecting entity is conducting plumbing inspections that do not comply with this section, the board may issue to the inspecting entity an order to show cause, in accordance with section 12-155-105 (1)(m), as to why the board should not issue a final order directing the inspecting entity to cease and desist conducting plumbing inspections until the inspecting entity comes into compliance to the satisfaction of the board.
- (II) The board shall not issue a cease-and-desist order to an inspecting entity because the inspecting entity approved the occupancy of one or more tiny homes if the tiny homes have been approved in accordance with section 24-32-3329.
- (III) If the use of state plumbing inspectors is required after the issuance of a final cease-and-desist order pursuant to this subsection (10)(c), the inspecting entity shall reimburse the board for any expenses incurred in performing the inspecting entity's inspections, in addition to transmitting the required permit fees.

**SECTION 33.** In Colorado Revised Statutes, 38-12-201.5, **amend** (5) as follows:

**38-12-201.5. Definitions.** As used in this part 2 and in part 11 of this article 12, unless the context otherwise requires:

- (5) "Mobile home" means:
- (a) A single-family dwelling that is built on a permanent chassis; is designed for long-term residential occupancy; contains complete electrical, plumbing, and sanitary facilities; is designed to be installed in a permanent or semipermanent manner with or without a permanent foundation; and is capable of being drawn over public highways as a unit or in sections by special permit; or
- (b) A manufactured home, as defined in section 38-29-102 (6), if the manufactured home is situated in a mobile home park; OR
- (c) A TINY HOME, AS DEFINED IN SECTION 24-32-3302 (35), THAT IS USED AS A LONG-TERM RESIDENCE IN THE MOBILE HOME PARK.
- **SECTION 34.** In Colorado Revised Statutes, 39-1-102, **amend** (14.3); and **add** (16.3) as follows:
- **39-1-102. Definitions.** As used in articles 1 to 13 of this title 39, unless the context otherwise requires:
- (14.3) "Residential improvements" means a building, or that portion of a building, designed for use predominantly as a place of residency by a person, a family, or families. The term includes buildings, structures, fixtures, fences, amenities, and water rights that are an integral part of the residential use. The term also includes a manufactured home, as defined in subsection (7.8) of this section, a mobile home, as defined in subsection (8) of this section, and a modular home, as defined in subsection (8.3) of this section AND A TINY HOME.
- (16.3) "TINY HOME" MEANS A TINY HOME, AS DEFINED IN SECTION 24-32-3302 (35), THAT IS CERTIFIED BY THE DIVISION OF HOUSING IN THE DEPARTMENT OF LOCAL AFFAIRS TO BE DESIGNED FOR LONG-TERM RESIDENCY AND THAT IS NOT REGISTERED IN ACCORDANCE WITH ARTICLE 3 OF TITLE 42.
  - **SECTION 35.** In Colorado Revised Statutes, 39-26-721, **amend** (3) as follows:
- **39-26-721. Manufactured homes and tiny homes.** (3) Beginning July 1, 2019, The sale, storage, usage, or consumption of a manufactured home, as defined in section 39-1-102 (7.8), OR A TINY HOME, AS DEFINED IN SECTION 24-32-3302 (35), is exempt from taxation under parts 1 and 2 of this article 26.
- **SECTION 36.** In Colorado Revised Statutes, 29-2-105, **amend** (1)(d)(I) introductory portion and (1)(d)(I)(P) as follows:
- **29-2-105.** Contents of sales tax ordinances and proposals. (1) The sales tax ordinance or proposal of any incorporated town, city, or county adopted pursuant to this article 2 shall be imposed on the sale of tangible personal property at retail or the furnishing of services, as provided in subsection (1)(d) of this section. Any countywide or incorporated town or city sales tax ordinance or proposal shall include the following provisions:
  - (d) (I) A provision that the sale of tangible personal property and services taxable

pursuant to this article 2 shall be is the same as the sale of tangible personal property and services taxable pursuant to section 39-26-104, except as otherwise provided in this subsection (1)(d). The sale of tangible personal property and services taxable pursuant to this article 2 shall be is subject to the same sales tax exemptions as those specified in part 7 of article 26 of title 39; except that the sale of the following may be exempted from a town, city, or county sales tax only by the express inclusion of the exemption either at the time of adoption of the initial sales tax ordinance or resolution or by amendment thereto:

- (P) The exemption for manufactured homes AND TINY HOMES set forth in section 39-26-721 (3).
- **SECTION 37. Appropriation.** (1) For the 2022-23 state fiscal year, \$227,612 is appropriated to the department of local affairs. This appropriation is from the general fund. To implement this act, the department may use this appropriation as follows:
- (a) \$127,071 for use by the division of housing for manufactured buildings program, which amount is based on an assumption that the division will require an additional 1.4 FTE;
  - (b) \$51,256 for use by the executive director's office for legal services;
- (c) \$2,379 for use by the executive director's office for vehicle lease payments; and
  - (d) \$46,906 for use by the executive director's office for payments to OIT.
- (2) For the 2022-23 state fiscal year, \$51,256 is appropriated to the department of law. This appropriation is from reappropriated funds received from the department of local affairs under subsection (1)(b) of this section and is based on an assumption that the department of law will require an additional 0.3 FTE. To implement this act, the department of law may use this appropriation to provide legal services for the department of local affairs.
- (3) For the 2022-23 state fiscal year, \$2,379 is appropriated to the department of personnel. This appropriation is from reappropriated funds received from the department of local affairs under subsection (1)(c) of this section. To implement this act, the department of personnel may use this appropriation to provide vehicles to the department of local affairs.
- (4) For the 2022-23 state fiscal year, \$46,906 is appropriated to the office of the governor for use by the office of information technology. This appropriation is from reappropriated funds received from the department of local affairs under subsection (1)(d) of this section. To implement this act, the office may use this appropriation to provide information technology services for the department of local affairs.
- (5) For the 2022-23 state fiscal year, \$86,946 is appropriated to the department of regulatory agencies. This appropriation is from the division of professions and occupations cash fund created in section 12-20-105 (3), C.R.S. To implement this act, the department may use this appropriation as follows:

- (a) \$50,440 for use by the division of professions and occupations for personal services, which amount is based on an assumption that the division will require an additional 0.9 FTE;
- (b) \$26,989 for use by the division of professions and occupations for operating expenses; and
- (c) \$9,517 for use by the executive director's office and administrative services for vehicle lease payments.
- (6) For the 2022-23 state fiscal year, \$9,517 is appropriated to the department of personnel. This appropriation is from reappropriated funds received from the department of local affairs under subsection (5)(c) of this section. To implement this act, the department of personnel may use this appropriation to provide vehicles to the department of regulatory agencies.
- **SECTION 38.** Act subject to petition effective date applicability. (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2022 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.
- (2) This act applies to acts committed on or after the applicable effective date of this act.

Approved: May 17, 2022